



Agenda Item:
43

COUNCIL COMMUNICATION

City Manager's Office

GENERAL INFORMATION

Agenda Date: 08/08/05
Agenda Item Type: Resolution

Communication No.: 05-443
Roll Call No.:

Submitted by: Larry Hulse, Community Development Director

SUBJECT—

Resolution approving request for 2005 Tax Sale Certificate on vacant lots located at 1544 10th Street, 1539 10th Street, 1417 12th Street, 1509 11th Street, 1547 12th Street, 1723 East 24th Street and 800 24th Street from Polk County Treasurer and authorization to solicit proposals for new construction on certificate assigned to the city.

SYNOPSIS—

An authorization for the City Manager to send an affidavit to the Polk County Treasurer requesting assignment of the 2005 tax sale certificate for the vacant lots at 1544 10th Street, 1539 10th Street, 1417 12th Street, 1509 11th Street, 1547 12th Street, 1723 East 24th Street and 800 24th Street. Upon receipt of the tax certificate, the Manager is authorized to conduct a solicitation for offers to build on the vacant lot.

FISCAL IMPACT—

Because the properties were not discovered until after the June 2005 auction, the City is required to make whole the buyer who purchased the certificate at the auction. The total cost for the seven tax certificates will be \$8,452.29. Funds are available in the NCS New Construction account (CDD04990 SPO36 HOME3005003 527700).

RECOMMENDATION—

Approval

BACKGROUND—

At its June 6, 2005 meeting by Roll Call 05-1401, the City Council approved a resolution allowing staff to request the tax certificates on 14 buildable, vacant lots included in the 2005 Tax Certificate sale, and at the June 20, 2005 meeting, by Roll Call No. 05-1529, the City Council requested an additional tax certificate for the vacant lot at 1339 Forest Avenue. Since June, staff has found seven additional lots with 2005 tax certificates that would be suitable for infill development in the King Irving, Fairmont Park and Woodland Heights neighborhoods.

Total development costs may be less when acquired through the tax sale certificate process than acquired through the open market. Additionally, the agency acquiring the lot for redevelopment will be able to obtain clear title with a tax deed. Current owners may redeem several of the lots because of the small amount of taxes owed, which would eliminate the lot from our consideration.

Upon approval of this Council action, the City will hold twenty-one tax certificates on vacant lots that are suitable for development of twenty single-family owner occupied homes. Of these twenty, fifteen are located in the King Irving Neighborhood. The City has been working with the King Irving Affordable Housing Consortium (Habitat for Humanity, HOME, Inc. and Community Housing Development Corporation) for the last three years to develop over a dozen affordable single-family homes in King Irving. Because of this pre-existing relationship with the members of the Consortium, and because of the uncertainty of whether or not the tax certificate will be redeemed, staff proposes that for the fifteen lots in King Irving, the City work with Consortium members to redevelop the vacant lots according to the guidelines of the City's New Construction Request for Proposals. For the properties outside of the King Irving neighborhood, staff will do a solicitation of offers from both for-profit and non-profit developers that will be judged based on the criteria in the New Construction Request for Proposals. Once developers have been recommended for each lot, Council will be asked to formally assign the certificates.